



Fast Facts

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Support Strong Rural Development and Rural Broadband Programs in the 2018 Farm Bill Reauthorization

The Farm Bill must include a strong rural development title that promotes federal programs designed to help improve the quality of life in rural America. The Farm Bill should contain tools that help electric cooperatives perform some of our most basic functions. First, it must provide financing for the basic electrification that is still essential to keeping the lights on in rural America. Second, the Farm Bill needs to facilitate the innovative work electric cooperatives do to deploy high speed communications technologies, generate and distribute electricity from renewable sources, and manage the electric grid more securely and efficiently. The Farm Bill must also support the role of many electric cooperatives as important economic development organizations in the communities we serve.

The current Farm Bill expires in September 2018. House and Senate Agriculture committees have already begun an extensive process to reauthorize this legislation. During 2017, NRECA and our members had the opportunity to provide feedback at nine different Congressional oversight hearings on the Farm Bill. As Congress now begins to draft new Farm Bill legislation, NRECA submitted these priorities for consideration that we believe promote a stronger rural America.

- **Broadband** – A reliable, modern grid depends on robust communications infrastructure just as much as it does on traditional generation and distribution assets. It is imperative that RUS continue to provide financing for integrating Smart Grid technologies. Additionally, some electric cooperatives are developing projects to provide broadband services to consumers in un-served areas of the country. *We encourage Congress to authorize significant, additional funding for loans and grants, available to all viable providers, to incentivize the further deployment of broadband in rural America.*
- **Rural Electrification Act** – The Rural Electrification Act remains an essential tool for electrification, creating jobs, improving quality of life, and promoting prosperity in rural America. *We urge Congress to oppose harmful amendments to this landmark legislation while making a few important improvements that are designed to enhance service to rural America.*
- **Rural Economic Development Loan and Grant (REDLG) Program** – Under the REDLG program, proceeds to the federal government from Rural Utilities Service (RUS) loans are used to finance economic development projects in rural communities. In the last two decades, electric cooperatives have partnered with community stakeholders on hundreds of these projects to construct essential infrastructure, renovate hospitals, build libraries, and expand businesses, among other things. Importantly, no REDLG loan has ever suffered a default. Unfortunately, dedicated funding streams for REDLG have been tapped to pay for other programs and a current funding source will also be lost after 2021. *We urge Congress to work with us to ensure ample funding for REDLG throughout the next Farm Bill and beyond.*

- **Guaranteed Underwriter Program** – The Rural Utilities Service (RUS) guarantees loans made by qualifying third-party lenders. This provides important, additional options for financing the essential work done by electric cooperatives. *We urge Congress to reauthorize the guaranteed underwriter program with some modest streamlining.*
- **Innovation** – The Rural Energy for America Program (REAP) and the Rural Energy Savings Program (RESP) are among the USDA programs that cooperatives use to finance investments in energy efficiency, construct new renewable energy generation sources, and deploy other innovative technologies that modernize the grid and save our members money. *We urge Congress to reauthorize these programs to ensure that electric co-ops are poised to meet the evolving demands of our member-owners.*
- **Rural Development** – The health of our whole country is dependent on a healthy rural America. Rural America grows most of the food, generates much of the power, and manufactures many of the goods that this country consumes. USDA’s office of Rural Development operates many different programs that provide fundamental assistance to those rural communities. *We urge Congress to maintain a strong rural development title of the Farm Bill to reaffirm the importance of these programs.*

The upcoming Farm Bill must include these critical priorities, and Congress should ensure that rural development programs are strengthened in the upcoming reauthorization of Farm Bill programs.

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